

MELROSE

562 Main Street, Melrose, MA 02176

Phone 781-979-4150 or 4151

Fax 781-979-4206

Board Meeting Usually the last Wednesday of each month at 11:00 am

Board Members John P. O'Neil (Chairperson), Patrick Dello Russo, James E. Milano, Gerald W. O'Neil, Maria Zizza

Board Administrator Barbara Wells

ACTUARIAL

Funded Ratio 60.9%

Date of Last Valuation 1/04

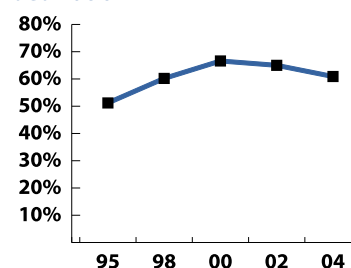
Actuary PERAC

Assumed Rate of Return 8.00%

Funding Schedule Increasing 4.0%
Year Fully Funded 2019

Active Members 414
Retired Members 384

Funded Ratio



INVESTMENT

2004 Return 10.16%

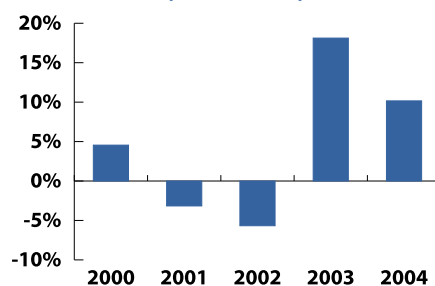
2004 Target Return 8.00%

2004 Market Value \$52.2M

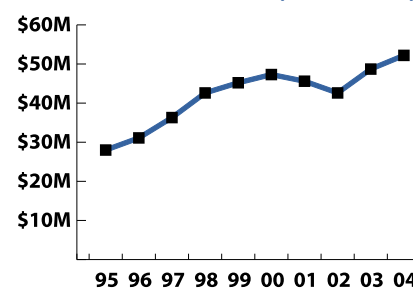
2000-2004 Return (Annualized) 4.44%

1985-2004 Return (Annualized) 9.77%

Investment Return (2000 - 2004)



Asset Growth - Market Value (1995 - 2004)



INVESTMENT VENDORS

Domestic Equity

- Dreyfus EB Core Small Cap Fund
- Fox Asset Management
- Freedom Equity Style Fund
- INTECH Institutional Large Cap Fund

International Equity

- EuroPacific Growth Fund

Fixed Income

- Columbia Management Group, Inc.
- Loomis Sayles Fixed Income Fund

Real Estate

- Intercontinental Real Estate Investment Fund II, LLC
- TA Realty Associates Fund V

Alternative Investments

- Ascent Venture Partners IV, L.P.
- INVESCO Non-U.S. Partnership Fund III, L.P.
- INVESCO U.S. Buyout & Expansion Capital Partnership Fund III, L.P.
- INVESCO Venture Partnership Fund III, L.P.

- INVESCO Venture Partnership Fund IV, L.P.
- Keystone Venture V

Consultant

- Segal Advisors

Custodian

- Investors Bank & Trust